


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER NBU 1022-9C4DS		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT NATURAL BUTTES		
4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>				5. UNIT or COMMUNITIZATION AGREEMENT NAME NATURAL BUTTES		
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.				7. OPERATOR PHONE 720 929-6587		
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217				9. OPERATOR E-MAIL mary.mondragon@anadarko.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU 01196B		11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/>		19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	227 FNL 2623 FWL	NENW	9	10.0 S	22.0 E	S
Top of Uppermost Producing Zone	1141 FNL 2505 FWL	NENW	9	10.0 S	22.0 E	S
At Total Depth	1141 FNL 2505 FWL	NENW	9	10.0 S	22.0 E	S
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 1141		23. NUMBER OF ACRES IN DRILLING UNIT 320		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 960		26. PROPOSED DEPTH MD: 9096 TVD: 8920		
27. ELEVATION - GROUND LEVEL 5192		28. BOND NUMBER WYB000291		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Permit #43-8496		
ATTACHMENTS						
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES						
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER			<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)			<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER			
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)			<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP			
NAME Danielle Piernot		TITLE Regulatory Analyst		PHONE 720 929-6156		
SIGNATURE		DATE 09/11/2009		EMAIL danielle.piernot@anadarko.com		
API NUMBER ASSIGNED 43047507400000		APPROVAL  Permit Manager				

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	4.5	0	9096		
Pipe	Grade	Length	Weight			
	Grade I-80 Buttress	9096	11.6			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	2180		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	2180	36.0			

T10S, R22E, S.L.B.&M.

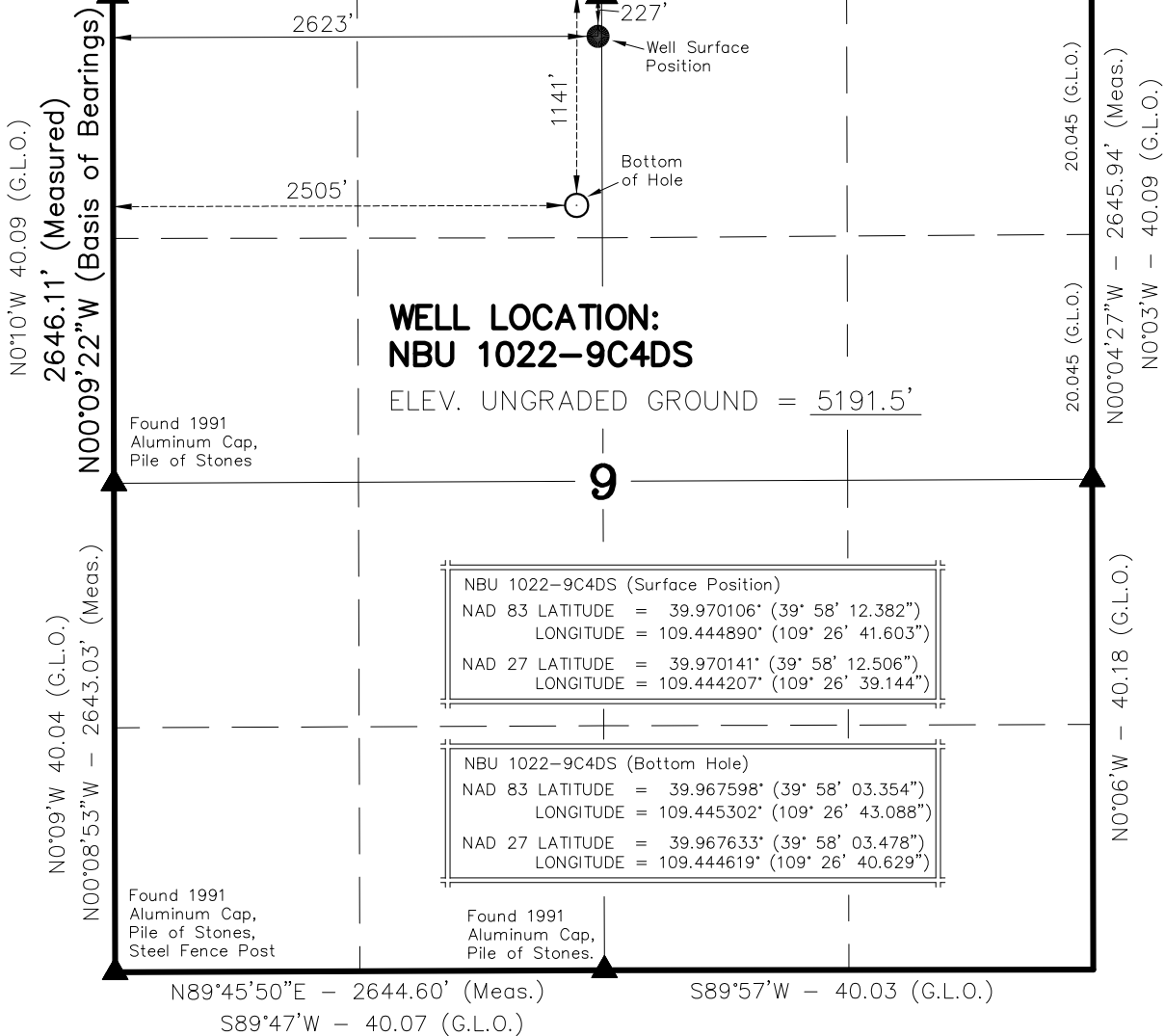
Found 1991
Aluminum Cap,
Pile of Stones
& Steel Post.

N89°55'W — 40.06 (G.L.O.)
N89°55'12"W — 2643.32' (Meas.)

Found 1991
Aluminum Cap,
Pile of Stones.

S89°28'W — 40.13 (G.L.O.)
S89°26'56"W — 2648.56' (Meas.)

Found 1991
Aluminum Cap,
Pile of Stones.



NOTES:

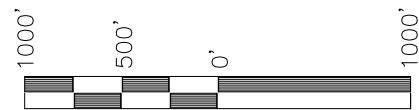
- ▲ = Section Corners Located
- 1. Well footages are measured at right angles to the Section Lines.
- 2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
- 3. The Bottom of hole bears S07°12'06"W 921.08' from the Surface Position.
- 4. Bearings are based on Global Positioning Satellite observations.
- 5. Basis of elevation is Tri-Sta "Two Water" located in the NW ¼ of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.

Kerr-McGee
Oil & Gas Onshore, LP

1099 18th Street — Denver, Colorado 80202

NBU 1022-9C4DS
WELL PLAT
1141' FNL, 2505' FWL (Bottom Hole)
NE ¼ NW ¼ OF SECTION 9, T10S, R22E,
S.L.B.&M. UTAH COUNTY, UTAH.

CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182



SCALE

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 362251
STATE OF UTAH

No. 362251
KOLBY R. KAY

TIMBERLINE

(435) 789-1365

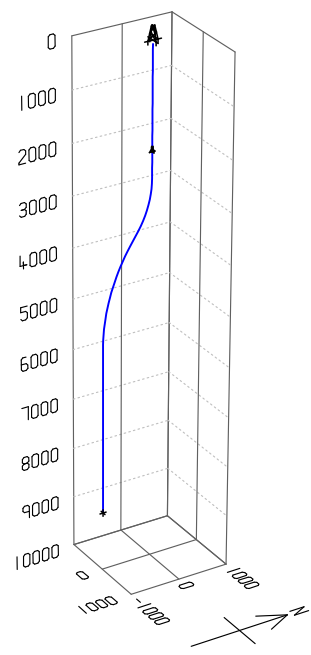
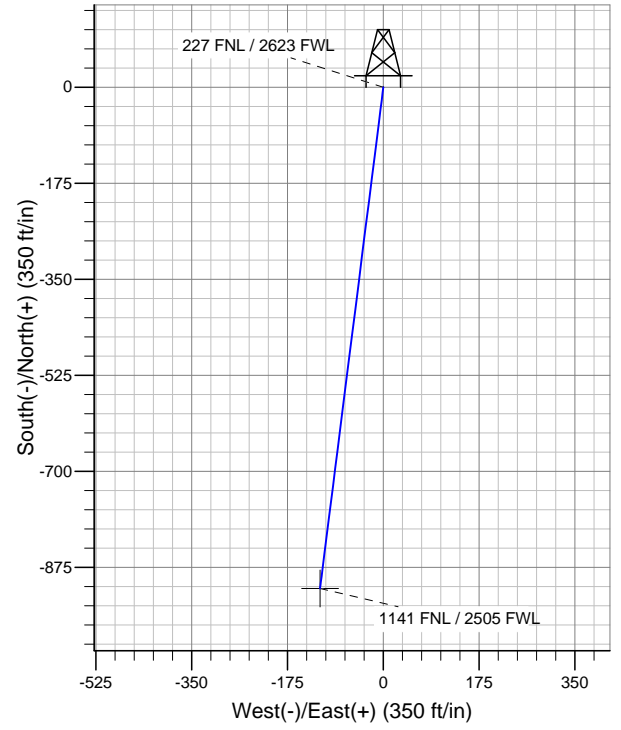
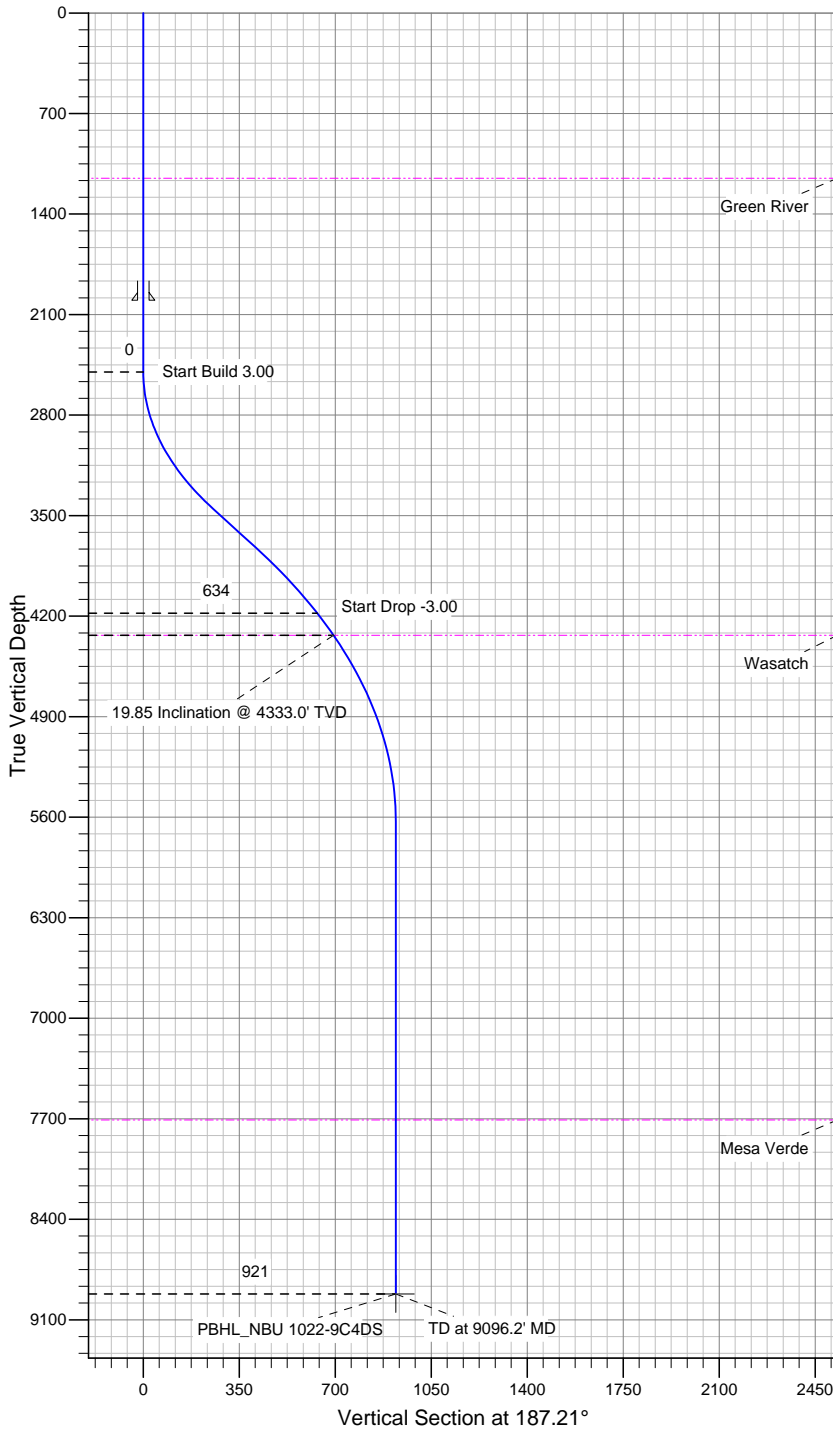
ENGINEERING & LAND SURVEYING, INC.

209 NORTH 300 WEST — VERNAL, UTAH 84078

DATE SURVEYED: 09-26-08	SURVEYED BY: M.S.B.	SHEET 2 OF 13
DATE DRAWN: 10-06-08	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised: 01-22-09	

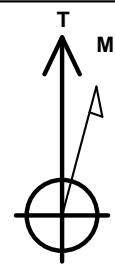


Well Name: P_NBU 1022-9C4DS
 Surface Location: UINTAH_NBU 1022-9C PAD
 North American Datum 1983 US State Plane 1983
 UTAH CENTRAL ZONE - 83
 Ground Elevation: 5190.5
 Northing 7164451.33 Easting 2216326.19 Latitude 39° 58' 12.38196 N Longitude 109° 26' 41.60300 W



SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
2	2500.0	0.00	0.00	2500.0	0.0	0.0	0.00	0.00	0.0
3	3500.0	30.00	187.21	3454.9	-253.8	-32.1	3.00	187.21	255.9
4	3806.2	30.00	187.21	3720.1	-405.8	-51.4	0.00	0.00	409.0
5	5806.2	0.00	0.00	5630.0	-913.5	-115.6	1.50	180.00	920.7
6	9096.2	0.00	0.00	8920.0	-913.5	-115.6	0.00	0.00	920.7



Azimuths to True North
 Magnetic North: 11.31°
 Magnetic Field
 Strength: 52565.9snT
 Dip Angle: 65.92°
 Date: 4/1/2009
 Model: IGRF200510

NBU 1022-9C4DS

Pad: NBU 1022-9C

Surface: 227' FNL 2,623' FWL (NE/4NW/4)

BHL: 1,141' FNL 2,505' FWL (NE/4NW/4)

Sec. 9 T10S R22E

Uintah, Utah

Mineral Lease: UTU 01196B

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. – 2. **Estimated Tops of Important Geologic Markers:**
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 – Surface	
Green River	1,151'	
Birds Nest	1,505'	Water
Mahogany	1,980'	Water
Wasatch	4,333'	Gas
Mesaverde	6,786'	Gas
MVU2	7,708'	Gas
MVL1	8,304'	Gas
TVD	8,920'	
TD	9,096'	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8,920' TVD, approximately equals 5,384 psi (calculated at 0.59 psi/foot).

Maximum anticipated surface pressure equals approximately 3,317 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). The air rig operation utilizes a 5M BOPE when drilling. This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

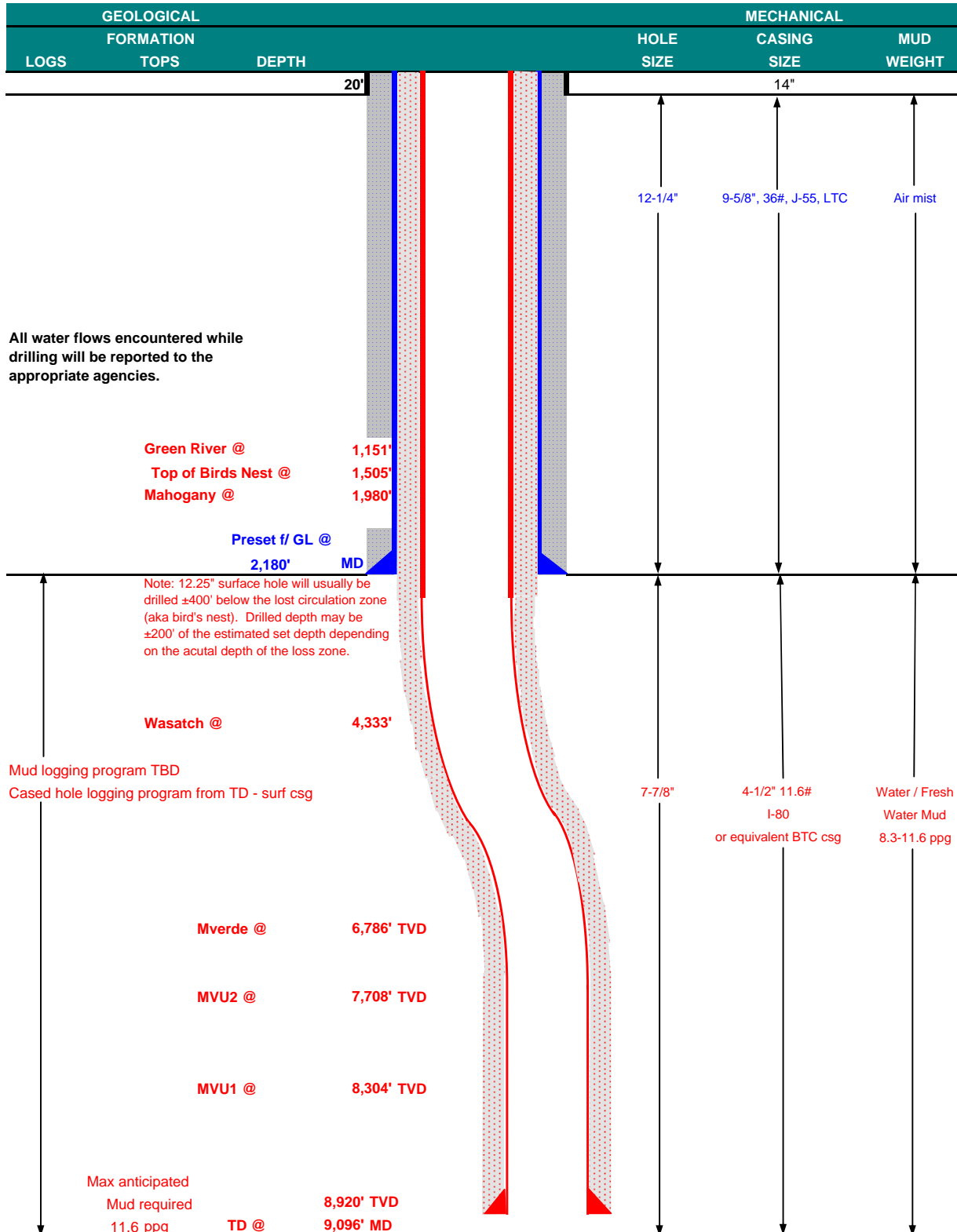
10. Other Information:

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP					DATE	September 11, 2009		
WELL NAME	NBU 1022-9C4DS					TD	8,920'	TVD	9,096' MD
FIELD	Natural Buttes		COUNTY	Uintah	STATE	Utah	FINISHED ELEVATION		5,191'
SURFACE LOCATION	NE/4 NW/4	227' FNL	2,623' FWL	Sec 9	T 10S	R 22E			
	Latitude: 39.970106		Longitude: -109.444890		NAD 83				
BTM HOLE LOCATION	NE/4 NW/4	1,141' FNL	2,505' FWL	Sec 9	T 10S	R 22E			
	Latitude: 39.967598		Longitude: -109.445302		NAD 83				
OBJECTIVE ZONE(S)	Wasatch/Mesaverde								
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.								





KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3,520	2,020	453,000
SURFACE	9-5/8"	0 to 2,180	36.00	J-55	LTC	1.01	1.98	7.35
						7,780	6,350	278,000
PRODUCTION	4-1/2"	0 to 9,096	11.60	I-80	BTC	2.28	1.18	3.02

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.6 ppg)

0.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3,317 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

(Burst Assumptions: TD = 11.6 ppg)

0.59 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MABHP 5,384 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	215	60%	15.60	1.18
			+ 0.25 pps flocele				
Option 1	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	380	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	1,680'	65/35 Poz + 6% Gel + 10 pps gilsonite	400	35%	12.60	1.81
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,826'	Premium Lite II + 3% KCl + 0.25 pps	360	40%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	5,270'	50/50 Poz/G + 10% salt + 2% gel	1,290	40%	14.30	1.31
			+ 0.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

John Huycke / Emile Goodwin

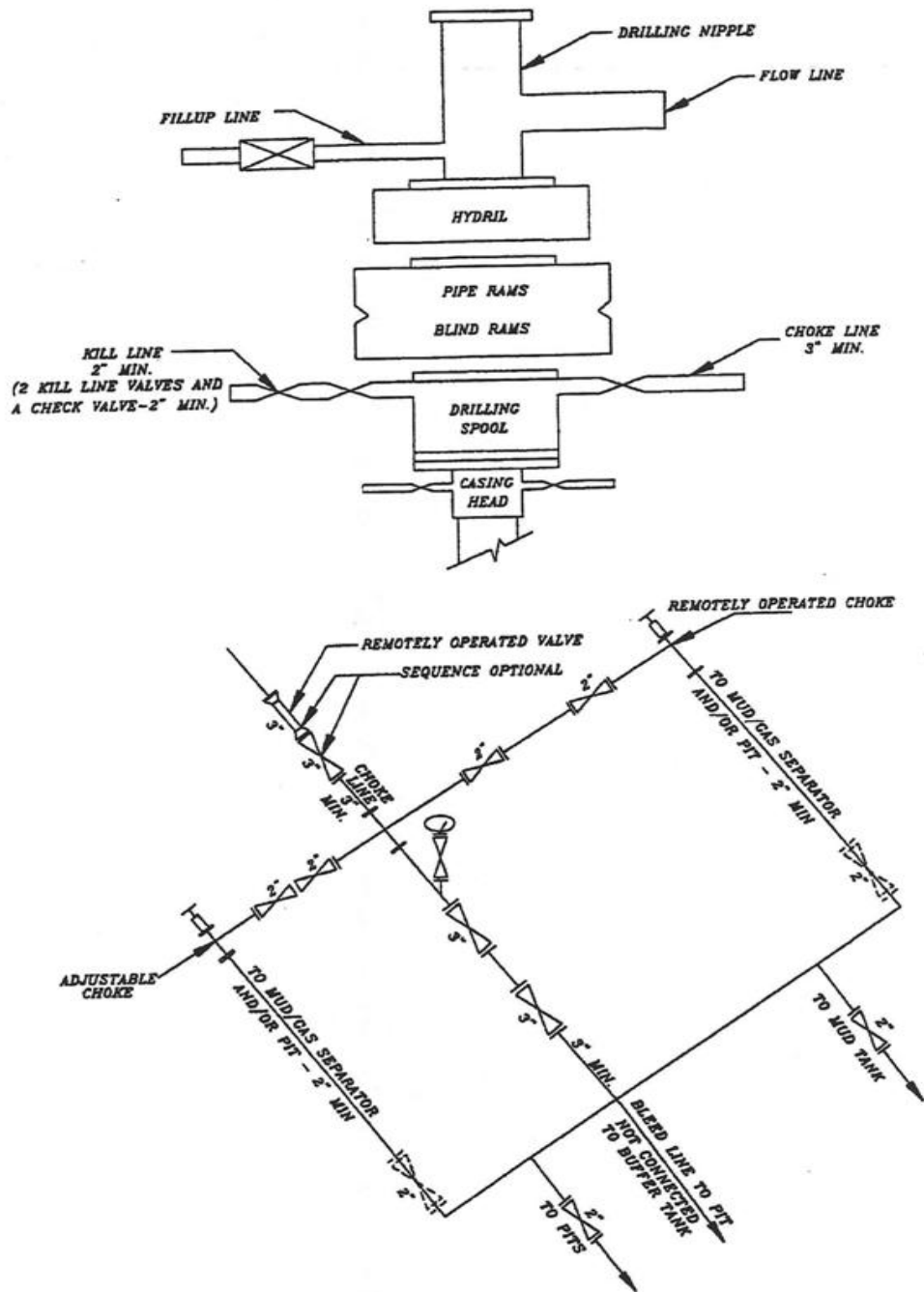
DATE:

DRILLING SUPERINTENDENT:

John Merkel / Lovel Young

DATE:

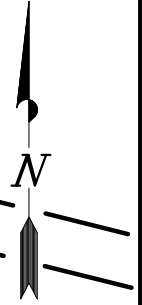
EXHIBIT A NBU 1022-9C4DS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

WELL PAD INTERFERENCE PLAT

DIRECTIONAL PAD – NBU 1022–9C



LATITUDE & LONGITUDE Surface Position – (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
1022–9B4CS	39°58'12.372" 39.970103°	109°26'41.347" 109.444818°
1022–9C4DS	39°58'12.382" 39.970106°	109°26'41.603" 109.444890°
1022–9C3CS	39°58'12.401" 39.970111°	109°26'42.117" 109.445033°
1022–9C2DS	39°58'12.412" 39.970114°	109°26'42.373" 109.445104°
Existing Well NBU 1022–9C	39°58'12.392" 39.970109°	109°26'41.860" 109.444961°

LATITUDE & LONGITUDE Surface Position – (NAD 27)		
WELL	N. LATITUDE	W. LONGITUDE
1022–9B4CS	39°58'12.496" 39.970138°	109°26'38.887" 109.444135°
1022–9C4DS	39°58'12.506" 39.970141°	109°26'39.144" 109.444207°
1022–9C3CS	39°58'12.525" 39.970146°	109°26'39.657" 109.444349°
1022–9C2DS	39°58'12.536" 39.970149°	109°26'39.914" 109.444420°
Existing Well NBU 1022–9C	39°58'12.516" 39.970143°	109°26'39.401" 109.444278°

BASIS OF BEARINGS IS THE WEST LINE OF THE NW 1/4 OF SECTION 9, T10S, R22E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR N00°09'22"W .

SURFACE POSITION FOOTAGES:

NBU 1022–9B4CS	228' FNL & 2643' FWL
NBU 1022–9C4DS	227' FNL & 2623' FWL
NBU 1022–9C3CS	225' FNL & 2583' FWL
NBU 1022–9C2DS	224' FNL & 2563' FWL
NBU 1022–9C (Existing Well Head)	226' FNL & 2603' FWL

BOTTOM HOLE FOOTAGES:

NBU 1022–9B4CS	1100' FNL & 1956' FEL
NBU 1022–9C4DS	1141' FNL & 2505' FWL
NBU 1022–9C3CS	1131' FNL & 1548' FWL
NBU 1022–9C2DS	591' FNL & 1782' FWL

Road

NBU 1022–9C2DS
Az. to exist. W.H.=93.09194° 40.0'

NBU 1022–9C3CS
Az. to exist. W.H.=93.09194° 20.0'

EXISTING WELL HEAD NBU 1022–9C

NBU 1022–9C4DS
Az. to exist. W.H.=273.09194° 20.0'

NBU 1022–9B4CS
Az. to exist. W.H.=273.09194° 40.0'

N86°54'29"W
Az=273.09194°

Az=244.87611°
S64°52'34"W – 861.51'
(To Bottom Hole)

Az=228.78444°
S48°47'04"W – 1372.56'
(To Bottom Hole)

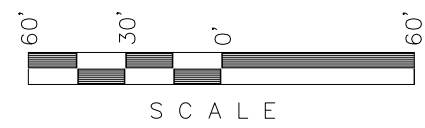
Az=187.20167°
S07°12'06"W – 921.08'
(To Bottom Hole)

Az=141.28639°
S58°42'49"E – 1109.02'
(To Bottom Hole)

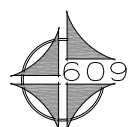
LATITUDE & LONGITUDE Bottom Hole – (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
1022–9B4CS	39°58'03.821" 39.967728°	109°26'32.443" 109.442345°
1022–9C4DS	39°58'03.354" 39.967598°	109°26'43.088" 109.445302°
1022–9C3CS	39°58'03.468" 39.967630°	109°26'55.377" 109.448716°
1022–9C2DS	39°58'08.799" 39.969111°	109°26'52.390" 109.447886°

LATITUDE & LONGITUDE Bottom Hole – (NAD 27)		
WELL	N. LATITUDE	W. LONGITUDE
1022–9B4CS	39°58'03.945" 39.967763°	109°26'29.984" 109.441662°
1022–9C4DS	39°58'03.478" 39.967633°	109°26'40.629" 109.444619°
1022–9C3CS	39°58'03.592" 39.967664°	109°26'52.917" 109.448032°
1022–9C2DS	39°58'08.924" 39.969145°	109°26'49.930" 109.447203°

RELATIVE COORDINATES From Surface Position to Bottom Hole		
WELL	NORTH	EAST
1022–9B4CS	–865'	694'
1022–9C4DS	–914'	–115'
1022–9C3CS	–904'	–1,032'
1022–9C2DS	–366'	–780'



Kerr–McGee
Oil & Gas Onshore, LP
1099 18th Street – Denver, Colorado 80202



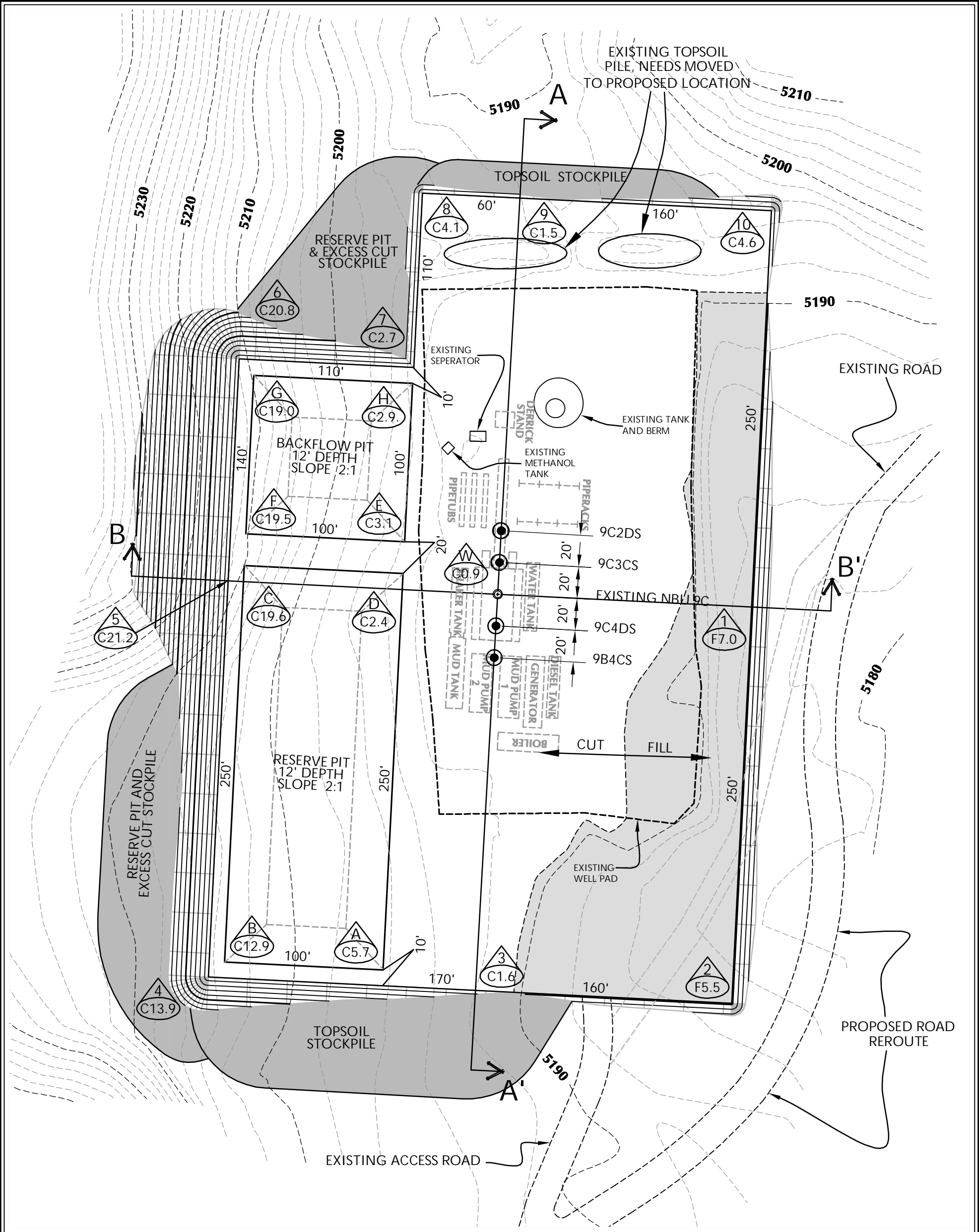
CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

DATE SURVEYED: 09-26-08	SURVEYED BY: M.S.B.
DATE DRAWN: 10-06-08	DRAWN BY: M.W.W.
	REVISED: 01-22-09

Timberline
Engineering & Land Surveying, Inc.
(435) 789-1365
209 NORTH 300 WEST VERNAL, UTAH 84078

SHEET
5
OF 13

NBU 1022–9B4CS, NBU 1022–9C4DS,
NBU 1022–9C3CS & NBU1022–9C2DS
LOCATED IN SECTION 9, T10S, R22E,
S.L.B.&M. UINTAH COUNTY, UTAH.



c:\NADARCO\2008_27_NBU_Directional_Wells\DWG\NBU_DIRECTIONAL_JAN_FEB_2009_CESI.dwg, 2/11/2009 3:40:01 PM

KERR-MCGEE OIL & GAS
ONSHORE L.P.
1099 18th Street - Denver, Colorado 80202

WELL PAD - LOCATION LAYOUT
NBU 1022-9B4CS, NBU 1022-9C4DS,
NBU 1022-9C3CS, NBU 1022-9C2DS
LOCATED IN SECTION 9, T.10S., R.22E.
S.L.B.&M., UINTAH COUNTY, UTAH



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: 1"=60'	Date: 2/11/09	SHEET NO: 6
REVISED:	BY DATE	6 OF 13

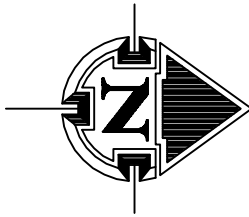
WELL PAD NBU 1022-9C QUANTITIES

EXISTING GRADE @ CENTER OF PAD = 5,191.4'
FINISHED GRADE ELEVATION = 5,190.5'
CUT SLOPES = 1.5:1
FILL SLOPES = 1.5:1

TOTAL CUT FOR WELL PAD = 24,373 C.Y.
TOTAL FILL FOR WELL PAD = 5,349 C.Y.
TOPSOIL @ 6" DEPTH = 2,309 C.Y.
EXCESS MATERIAL = 19,024 C.Y.
TOTAL DISTURBANCE = 4.15 ACRES
SHRINKAGE FACTOR = 1.10
SWELL FACTOR = 1.00
RESERVE PIT CAPACITY (2' OF FREEBOARD)
+/- 28,730 BARRELS
RESERVE PIT VOLUME
+/- 7,720 CY
BACKFLOW PIT CAPACITY (2' OF FREEBOARD)
+/- 9,490 BARRELS
BACKFLOW PIT VOLUME
+/- 2,660 CY

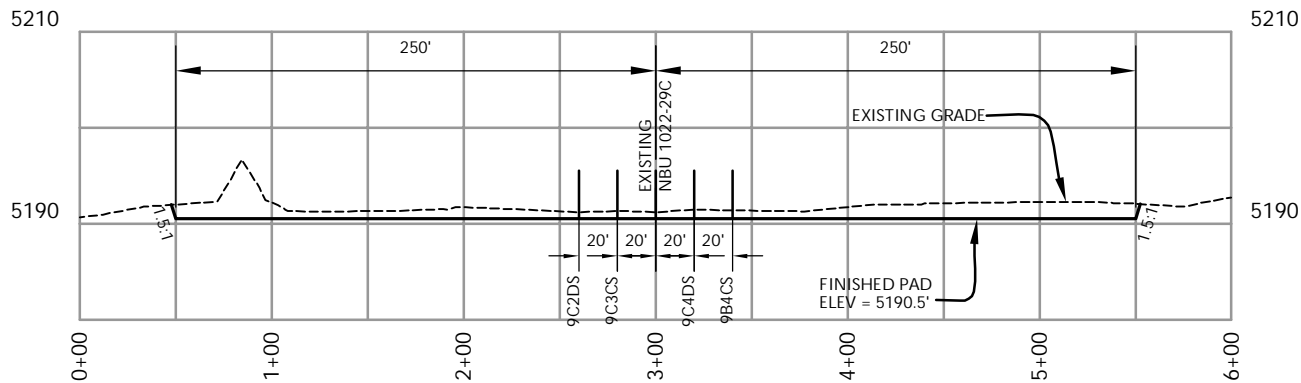
WELL PAD LEGEND

- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)

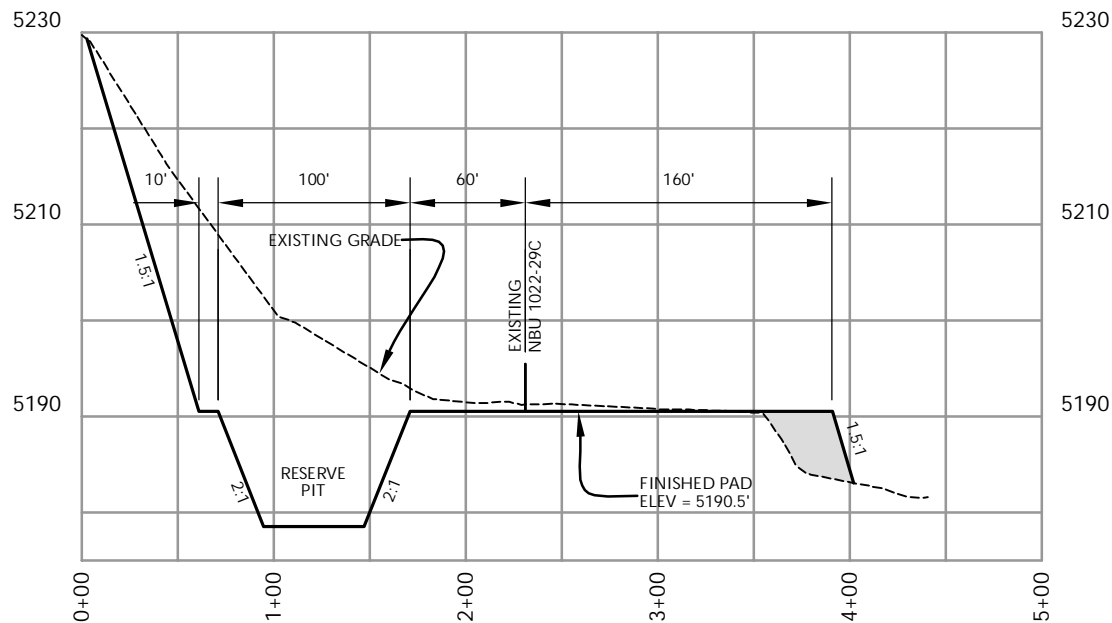


HORIZONTAL 0 30 60 1" = 60'
2' CONTOURS

Timberline (435) 789-1365
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38 WEST 100 NORTH VERNAL, UTAH 84078



CROSS SECTION A-A'



CROSS SECTION B-B'

NOTE: CROSS SECTION B-B' DEPICTS
MAXIMUM RESERVE PIT DEPTH.

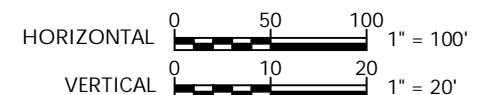
**KERR-MCGEE OIL & GAS
ONSHORE L.P.**
1099 18th Street - Denver, Colorado 80202

WELL PAD - CROSS SECTIONS
NBU 1022-9B4CS, NBU 1022-9C4DS,
NBU 1022-9C3CS, NBU 1022-9C2DS
LOCATED IN SECTION 9, T.10S., R.22E.
S.L.B.&M., UINTAH COUNTY, UTAH

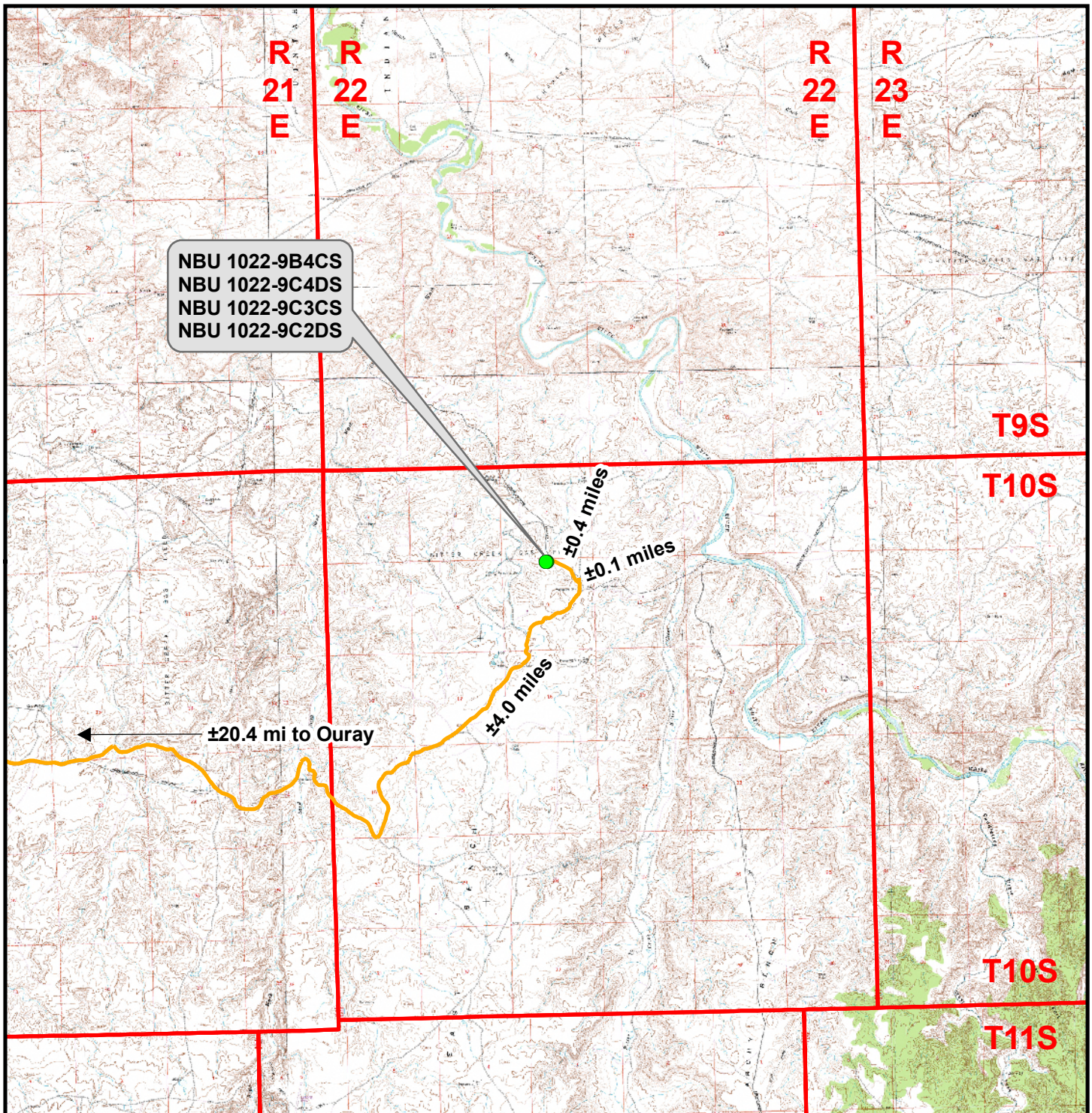


CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: 1"=100'	Date: 2/11/09	SHEET NO:
REVISED:	BY DATE	7 7 OF 13



Timberline (435) 789-1365
Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078



Legend

- Proposed Well Location
- Access Route - Proposed

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Denver, Colorado 80202

**NBU 1022-9B4CS, NBU 1022-9C4DS,
NBU 1022-9C3CS & NBU 1022-9C2DS**
Topo A
Located In Section 9, T10S, R22E
S.L.B.&M., Uintah County, Utah

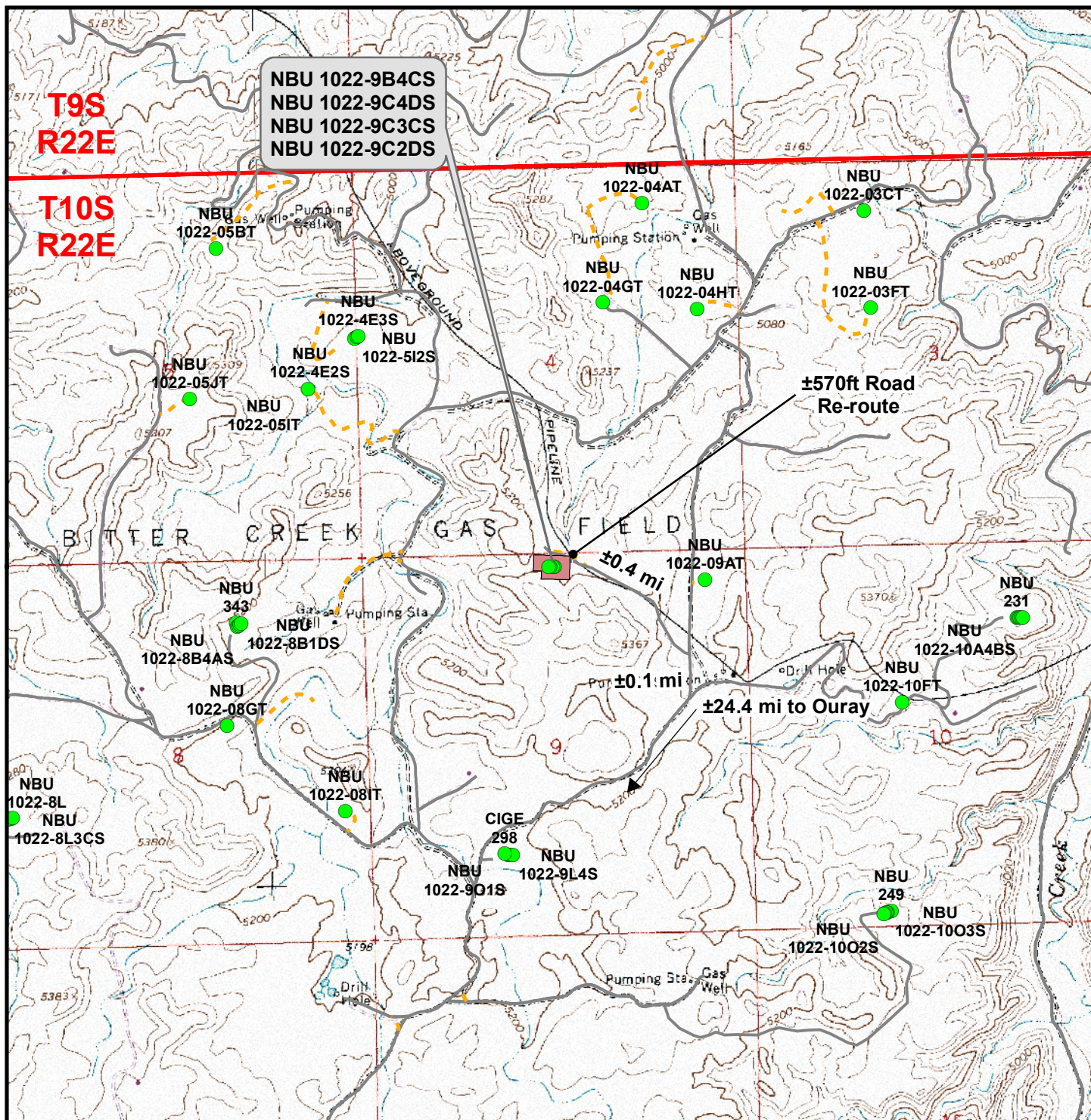


Scale: 1:100,000	NAD83 USP Central
Drawn: JELO	Date: 10 Feb 2009
Revised:	Date:

Sheet No:

9

9 of 13



Legend

- Well - Proposed
- Well Pad
- Road - Proposed
- Road - Existing

Total Proposed Road Length: ±570ft

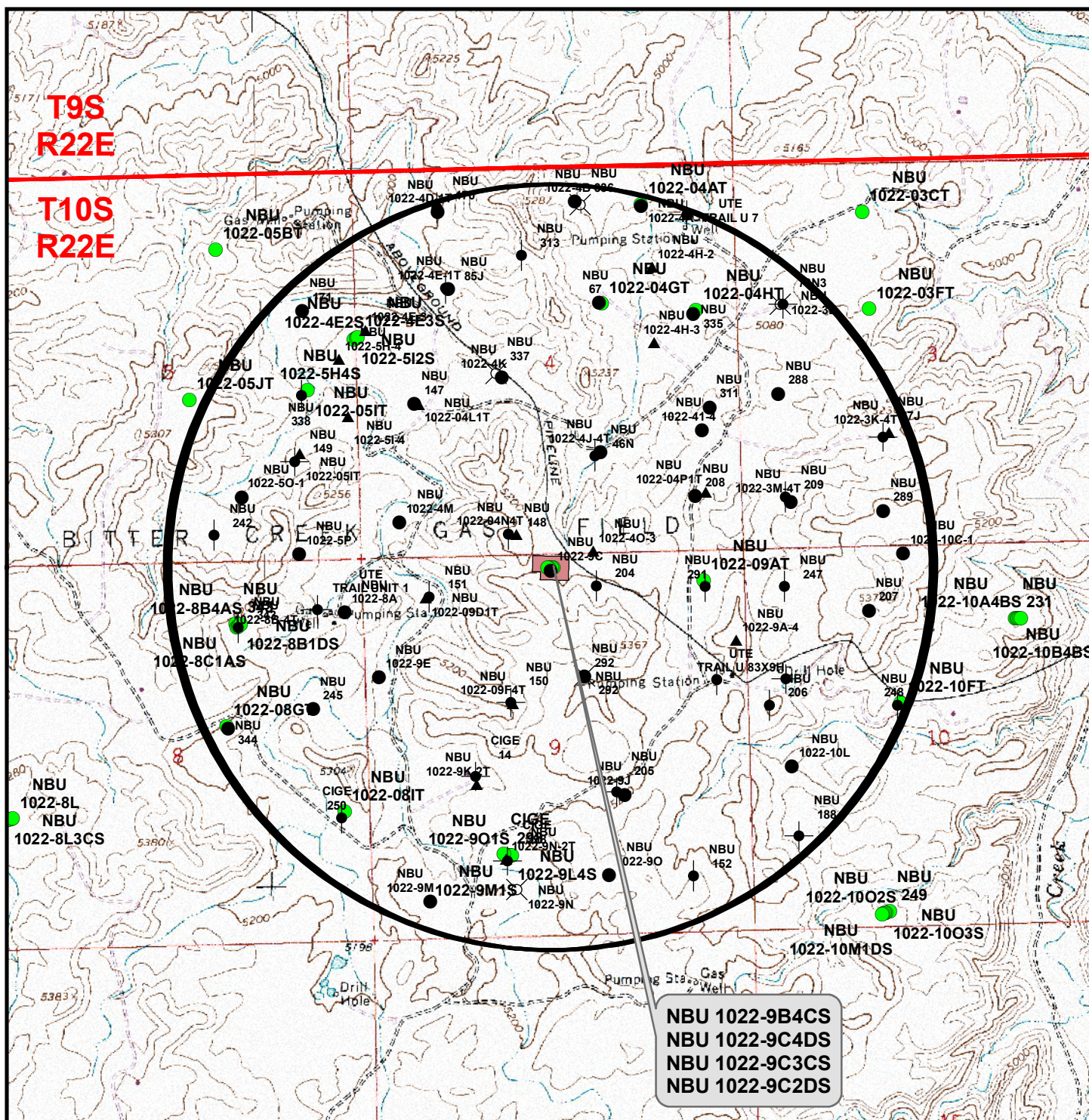
Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Denver, Colorado 80202

**NBU 1022-9B4CS, NBU 1022-9C4DS,
NBU 1022-9C3CS & NBU 1022-9C2DS**
Topo B
Located In Section 9, T10S, R22E
S.L.B.&M., Uintah County, Utah



Scale: 1" = 2000ft	NAD83 USP Central
Drawn: JELO	Date: 10 Feb 2009
Revised:	Date:

Sheet No:
10 10 of 13



Legend

- | | | | | |
|--|---|---|--|--|
| ● Well - Proposed | Well - 1 Mile Radius | ● Producing | ✕ Location Abandoned | ● Shut-In |
| Well Pad | | ▲ Approved permit (APD); not yet spudded | ● Temporarily-Abandoned | |
| | | ○ Spudded (Drilling commenced: Not yet complete) | ● Plugged and Abandoned | |

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Denver, Colorado 80202

**NBU 1022-9B4CS, NBU 1022-9C4DS,
NBU 1022-9C3CS & NBU 1022-9C2DS**
Topo C
Located In Section 9, T10S, R22E
S.L.B.&M., Uintah County, Utah

609
CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 674-0609
Fax (307) 674-0182



Scale: 1" = 2000ft
NAD83 USP Central
Drawn: JELO
Revised:

Sheet No:
11 11 of 13
Date: 10 Feb 2009
Date:

Scale: 1" = 2000ft	NAD83 USP Central	Sheet No:
Drawn: JELO	Date: 10 Feb 2009	12 12 of 13
Revised:	Date:	

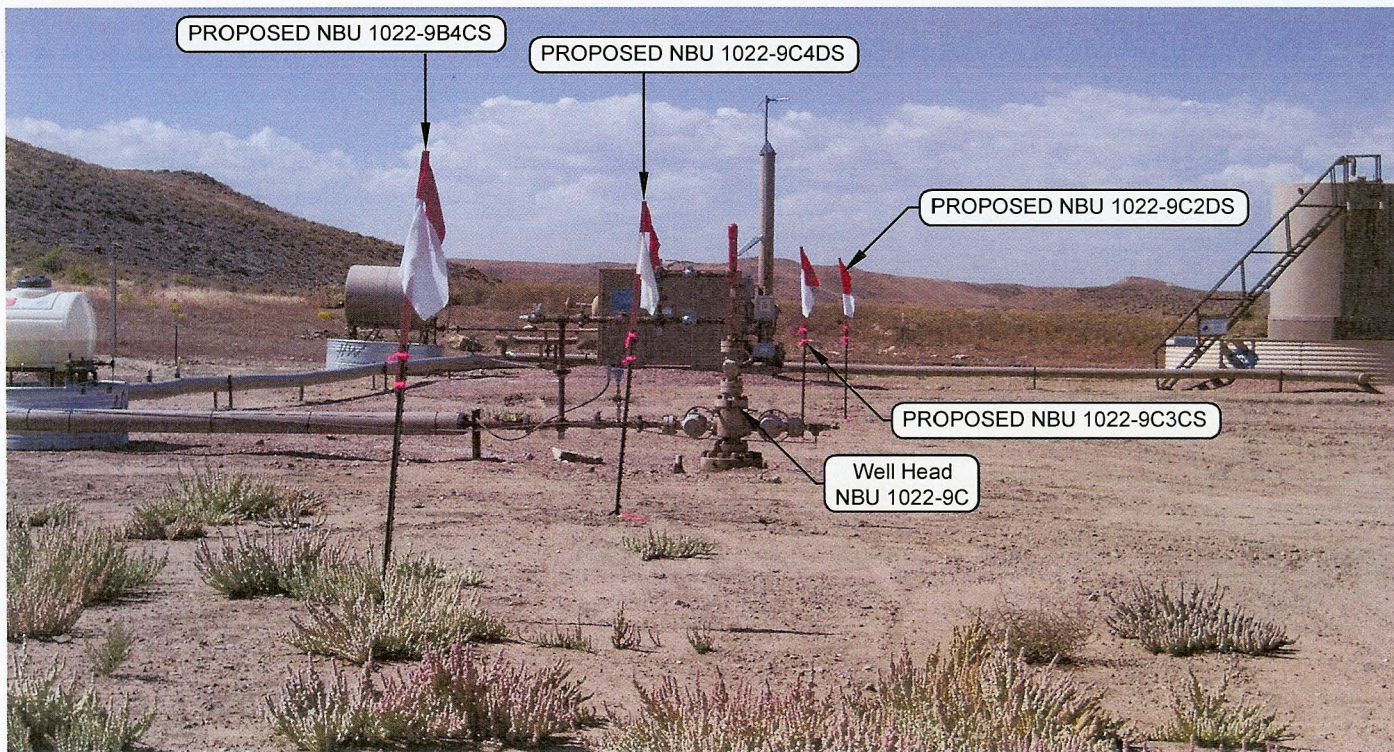


PHOTO VIEW: TO LOCATION STAKES

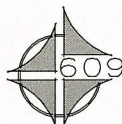
CAMERA ANGLE: WESTERLY



PHOTO VIEW: FROM EXISTING ROAD

CAMERA ANGLE: WESTERLY

Kerr-McGee
Oil & Gas Onshore, LP
1099 18th Street - Denver, Colorado 80202



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

NBU 1022-9B4CS, NBU 1022-9C4DS,
NBU 1022-9C3CS & NBU1022-9C2DS
LOCATED IN SECTION 9, T10S, R22E,
S.L.B.&M. UINTAH COUNTY, UTAH.

LOCATION PHOTOS

TAKEN BY: M.S.B.

DRAWN BY: M.W.W.

DATE TAKEN: 09-26-08

DATE DRAWN: 10-06-08

REVISED: 02-07-09

Timberline

Engineering & Land Surveying, Inc.
209 NORTH 300 WEST VERNAL, UTAH 84078

(435) 789-1365

SHEET
8
OF 13

Kerr-McGee Oil & Gas Onshore, LP
NBU 1022-9B4CS, NBU 1022-9C4DS, NBU 1022-9C3CS & NBU 1022-9C2DS
Section 9, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 13.9 MILES TO THE JUNCTION OF STATE HIGHWAY 88. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 16.8 MILES TO OURAY, UTAH. FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 11.2 MILES TO THE INTERSECTION OF THE GLEN BENCH ROAD (COUNTY B ROAD 3260). EXIT LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION ALONG THE GLEN BENCH ROAD APPROXIMATELY 5.2 MILES TO THE INTERSECTION OF THE BITTER CREEK ROAD (COUNTY B ROAD 4120). EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG THE BITTER CREEK ROAD APPROXIMATELY 4.0 MILES TO A CLASS D COUNTY ROAD RUNNING NORTHEASTERLY. EXIT LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION ALONG THE CLASS D COUNTY ROAD APPROXIMATELY 4.0 MILES TO A SECOND CLASS D COUNTY ROAD RUNNING NORTHERLY. EXIT LEFT AND PROCEED IN A NORTHERLY DIRECTION ALONG THE SECOND CLASS D COUNTY ROAD APPROXIMATELY 0.1 MILES TO A SERVICE ROAD RUNNING NORTHWESTERLY. EXIT LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION ALONG THE SERVICE ROAD APPROXIMATELY 0.4 MILES TO THE EXISTING WELL PAD.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.6 MILES IN A SOUTHERLY DIRECTION.

NBU 1022-9B4CS

Surface: 228' FNL 2,643' FWL (NE/4NW/4)
BHL: 1,100' FNL 1,956' FEL (NW/4NE/4)
Mineral Lease: UTU 01196D

NBU 1022-9C2DS

Surface: 224' FNL 2,563' FWL (NE/4NW/4)
BHL: 591' FNL 1,782' FEL (NE/4NW/4)
Mineral Lease: UTU 01196B

NBU 1022-9C3CS

Surface: 225' FNL 2,583' FWL (NE/4NW/4)
BHL: 1,131' FNL 1,548' FWL (NE/4NW/4)
Mineral Lease: UTU 01196B

NBU 1022-9C4DS

Surface: 227' FNL 2,623' FWL (NE/4NW/4)
BHL: 1,141' FNL 2,505' FWL (NE/4NW/4)
Mineral Lease: UTU 01196B

Pad: NBU 1022-9C
Sec. 9 T10S R22E

Uintah, Utah

ONSHORE ORDER NO. 1

***MULTI-POINT SURFACE USE & OPERATIONS PLAN
SUBMITTED WITH SITE-SPECIFIC INFORMATION***

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. An NOS was submitted on March 16, 2009 showing the surface locations in NE/4 NW/4 of Section 9 T10S R22E.

This Surface Use Plan of Operations (SUPO) or 13-point plan provides the site-specific information for the above-referenced wells. This information is to be incorporated by reference into the Master Development Plan (MDP) for Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee). The MDP is available upon request from the BLM-Vernal Field Office.

An on-site meeting was held on March 31, 2009. Present were:

- Verlyn Pindell, Dave Gordon – BLM;
- Kolby Kay – 609 Consulting, LLC
- Tony Kazeck, Raleen White, Sheila Upchego, Grizz Oleen, Hal Blanchard, Charles Chase and Jeff Samuels – Kerr-McGee.

Directional Drilling:

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, this well will be directionally drilled in order to access portions of our lease which are otherwise inaccessible due to topography.

A. Existing Roads:

- A) Refer to Topo Map A for directions to the location.
- B) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

B. Planned Access Roads:

See MDP for additional details on road construction.

Approximately $\pm 570'$ (± 0.11 mile) of road re-route is proposed. Please refer to the attached Topo Map B. No pipelines will be crossed with the new construction.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site and are typically shown on the attached Exhibits and Topo maps.

C. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

D. Location of Existing and Proposed Facilities:

See MDP for additional details on Existing and Proposed Facilities.

This pad will expand the existing pad for the NBU 1022-9C, which is a producing well according to Utah Division of Oil, Gas and Mining (UDOGM) records.

The following guidelines will apply if the well is productive.

Approximately $\pm 1,325'$ (± 0.25 miles) of pipeline is proposed. The existing pipeline, as shown on Topo D, will be upgraded to accommodate anticipated production from the proposed wells. The upgraded pipeline will follow the same route as the existing pipeline. Pipeline segments will be welded or zaplocked together on disturbed areas in or near the location, whenever possible, and dragged into place.

E. Location and Type of Water Supply:

See MDP for additional details on Location and Type of Water Supply.

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

F. Source of Construction Materials:

See MDP for additional details on Source of Construction Materials.

G. Methods of Handling Waste Materials:

See MDP for additional details on Methods of Handling Waste Materials.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E

NBU #159 in Sec. 35 T9S R21E

Ace Oilfield in Sec. 2 T6S R20E

MC&MC in Sec. 12 T6S R19E

Pipeline Facility in Sec. 36 T9S R20E

Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E

Bonanza Evaporation Pond in Sec. 2 T10S R23E

H. Ancillary Facilities:

See MDP for additional details on Ancillary Facilities.

None are anticipated.

I. Well Site Layout: (See Location Layout Diagram)

See MDP for additional details on Well Site Layout.

All pits will be fenced according to the following minimum standards:

- Net wire (39-inch) will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

J. Plans for Reclamation of the Surface:

See MDP for additional details on Plans for Reclamation of the Surface.

K. Surface/Mineral Ownership:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

L. Other Information:

See MDP for additional details on Other Information.

M. Lessee's or Operators' Representative & Certification:

Kathy Schneebeck Dulnoan
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6007

Tommy Thompson
General Manager, Drilling
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6724


Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.


Kathy Schneebeck Dulnoan

September 10, 2009
Date



Kerr-McGee Oil & Gas Onshore LP

1099 18th Street, Suite 1800
Denver, CO 80202-1918
P.O. Box 173779
Denver, CO 80217-3779
720-929-6000

April 22, 2009

Mrs. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11
NBU 1022-9C4DS
T10S-R22E
Section 9: NENW
Surface: 227' FNL, 2623' FWL
Bottom Hole: 1141' FNL, 2505' FWL
Uintah County, Utah

Dear Mrs. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

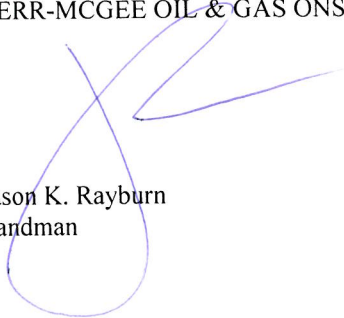
- Kerr-McGee's NBU 1022-9C4DS located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Jason K. Rayburn
Landman

A handwritten signature in blue ink, appearing to read 'Jason K. Rayburn', is written over the typed name and extends upwards into the company name line.

CLASS I REVIEW OF KERR-MCGEE OIL AND GAS
ONSHORE LP'S 55 PROPOSED WELL LOCATIONS
IN TOWNSHIP 10S, RANGE 22E,
SECTIONS 4, 7, 8, 9, 10, 18 AND 20,
UINTAH COUNTY, UTAH

By:

Patricia Stavish

Prepared For:
Bureau of Land Management
Vernal Field Office
and
State of Utah
School & Institutional Trust Lands Administration

Prepared Under Contract With:

Kerr-McGee Oil and Gas Onshore LP
1368 South 1200 East
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants, Inc.
P.O. Box 219
Moab, Utah 84532

MOAC Report No. 08-321

February 20, 2009

United States Department of Interior (FLPMA)
Permit No. 08-UT-60122

Public Lands Policy Coordination Office
Archaeological Survey Permit No. 117

IPC #08-290

Paleontological Reconnaissance Survey Report

**Survey of Kerr McGee's Proposed Directional Pads, Multi Wells,
Access Roads and Pipelines for "NBU #1022-9C, 9B4CS, 9C4DS,
9C3CS & 9C2DS" & "NBU #231, #1022-10C1BS, 10B1BS,
10B4BS & 10A4BS" (Sec. 4, 9 & 10, T 10 S, R 22 E)**

Archy Bench
Topographic Quadrangle
Uintah County, Utah

December 2, 2008

Prepared by Stephen D. Sandau
Paleontologist for
Intermountain Paleo-Consulting
P. O. Box 1125
Vernal, Utah 84078

STATUS

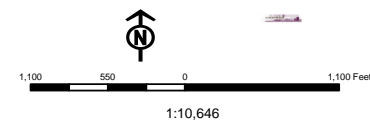
- ACTIVE
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PP OIL
- PP GAS
- PP GEOTHERMAL
- PP OIL
- SECONDARY
- TERMINATED

Fields

- STATUS
- ACTIVE
- COMBINED
- Sections

Wells Query Events

- GIS_STAT_TYPE
 - <all other values>
 - <n/A>
 - <NDR>
 - DRL
 - GI
 - GS
 - LA
 - NEW
 - OPS
 - PA
 - POW
 - ROT
 - SGW
 - SOW
 - TA
 - TW
 - WD
 - WS



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160
(UT-922)

September 18, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2009 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-50731	NBU 921-7F	Sec 07 T09S R21E 2079 FNL 2869 FWL
43-047-50732	NBU 921-7L	Sec 07 T09S R21E 1948 FSL 1196 FWL
43-047-50733	NBU 921-8D	Sec 08 T09S R21E 0469 FNL 0652 FWL
43-047-50734	NBU 921-8N	Sec 08 T09S R21E 0705 FSL 2033 FWL
43-047-50735	NBU 921-7D	Sec 07 T09S R21E 0463 FNL 0180 FWL
43-047-50736	NBU 921-8C	Sec 08 T09S R21E 0483 FNL 1729 FWL
43-047-50737	NBU 1022-9B4CS	Sec 09 T10S R22E 0228 FNL 2643 FWL
	BHL	Sec 09 T10S R22E 1100 FNL 1956 FEL
43-047-50738	NBU 1022-9C2DS	Sec 09 T10S R22E 0224 FNL 2563 FWL
	BHL	Sec 09 T10S R22E 0591 FNL 1782 FWL
43-047-50739	NBU 1022-9C3CS	Sec 09 T10S R22E 0225 FNL 2583 FWL
	BHL	Sec 09 T10S R22E 1131 FNL 1548 FWL
43-047-50740	NBU 1022-9C4DS	Sec 09 T10S R22E 0227 FNL 2623 FWL
	BHL	Sec 09 T10S R22E 1141 FNL 2505 FWL
43-047-50751	NBU 920-21G	Sec 21 T09S R20E 1998 FNL 2319 FEL

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-50752	NBU 1022-8L3CS	Sec 08 T10S R22E 1761 FSL 0309 FWL
	BHL	Sec 08 T10S R22E 1330 FSL 0005 FWL
43-047-50753	NBU 1022-8M3DS	Sec 08 T10S R22E 1765 FSL 0329 FWL
	BHL	Sec 08 T10S R22E 0245 FSL 0350 FWL
43-047-50754	NBU 1022-8N1DS	Sec 08 T10S R22E 1772 FSL 0368 FWL
	BHL	Sec 08 T10S R22E 0940 FSL 2635 FWL
43-047-50755	NBU 1022-8N2DS	Sec 08 T10S R22E 1769 FSL 0348 FWL
	BHL	Sec 08 T10S R22E 0735 FSL 1700 FWL
43-047-50756	NBU 1022-35I1CS	Sec 35 T10S R22E 2335 FSL 0650 FEL
	BHL	Sec 35 T10S R22E 2170 FSL 0460 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:9-18-09

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/11/2009

API NO. ASSIGNED: 43047507400000

WELL NAME: NBU 1022-9C4DS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995)

PHONE NUMBER: 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: NENW 9 100S 220E

Permit Tech Review: ☒

SURFACE: 0227 FNL 2623 FWL

Engineering Review: ☒

BOTTOM: 1141 FNL 2505 FWL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 39.97003

LONGITUDE: -109.44421

UTM SURF EASTINGS: 632867.00

NORTHINGS: 4425380.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 01196B

PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

☒ **PLAT**

☒ **Bond:** FEDERAL - WYB000291

☐ **Potash**

☒ **Oil Shale 190-5**

☐ **Oil Shale 190-3**

☐ **Oil Shale 190-13**

☒ **Water Permit:** Permit #43-8496

☐ **RDCC Review:**

☐ **Fee Surface Agreement**

☒ **Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

☐ **R649-2-3.**

Unit: NATURAL BUTTES

☐ **R649-3-2. General**

☐ **R649-3-3. Exception**

☒ **Drilling Unit**

Board Cause No: Cause 173-14

Effective Date: 12/2/1999

Siting: 460' fr u bdry & uncomm. tract

☒ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
3 - Commingle - ddoucet
4 - Federal Approval - dmason
15 - Directional - dmason
17 - Oil Shale 190-5(b) - dmason



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: NBU 1022-9C4DS
API Well Number: 43047507400000
Lease Number: UTU 01196B
Surface Owner: FEDERAL
Approval Date: 9/29/2009

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingling:

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

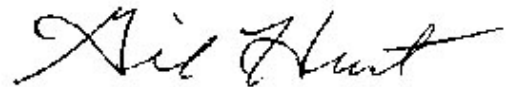
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt", with a stylized, cursive script.

Gil Hunt
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 01196B
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-9C4DS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0227 FNL 2623 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 09 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047507400000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/30/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: October 06, 2010

By:

NAME (PLEASE PRINT) Danielle Piernot	PHONE NUMBER 720 929-6156	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 9/30/2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047507400000

API: 43047507400000

Well Name: NBU 1022-9C4DS

Location: 0227 FNL 2623 FWL QTR NENW SEC 09 TWP 100S RNG 220E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 9/29/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Danielle Piernot

Date: 9/30/2010

Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: October 06, 2010

By: 

RECEIVED September 30, 2010

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

SEP 19 2009

mc

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU01196B
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERRMCGEE OIL&GAS ONSHORE		7. If Unit or CA Agreement, Name and No. 891008900A
Contact: DANIELLE E PIERNOT Ph: 720-929-6156 Fx: 720-929-7156		8. Lease Name and Well No. NBU 1022-9C4DS
3a. Address PO BOX 173779 DENVER, CO 80202-3779	3b. Phone No. (include area code) Ph: 720-929-6156 Fx: 720-929-7156	9. API Well No. 43-047-50740
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENW 227FNL 2623FWL 39.97011 N Lat, 109.44489 W Lon At proposed prod. zone NENW 1141FNL 2505FWL 39.96760 N Lat, 109.44530 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 25 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 9 T10S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1141 FEET	16. No. of Acres in Lease 320.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. APPROXIMATELY 960 FEET	19. Proposed Depth 9096 MD 8920 TVD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5192 GL	22. Approximate date work will start 09/28/2009	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file WYB000291
		23. Estimated duration 60-90 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) DANIELLE E PIERNOT Ph: 720-929-6156	Date 09/11/2009
Title REGULATORY ANALYST I		
Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date JUN 09 2011
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #74204 verified by the BLM Well Information System
For KERRMCGEE OIL&GAS ONSHORE LP, sent to the Vernal
Committed to AFMSS for processing by ROBIN R. HANSEN on 09/14/2009 ()

RECEIVED

JUN 15 2011

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

UDOGM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

096YT22914E



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr McGee Oil & Gas Onshore
Well No: NBU 1022-9C4DS
API No: 43-047-50740

Location: NENW, Sec. 9, T10S, R22E
Lease No: UTU-01196B
Agreement: Natural Buttes Unit

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 02/05/2007. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 02/05/2012 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Kerr McGee will adhere to all applicant committed conservation measures and conservation recommendations that are stated in the USFWS's "Final Biological Opinion for the Anadarko Petroleum Corporation Natural Buttes Unit and Bonanza Area Natural Gas Development Project.
- The operator will follow the Green River District Reclamation Guidelines for Reclamation.
- The operator will control noxious weeds along the well pad, access road, and the pipeline route by spraying or mechanical removal. On BLM administered land, a Pesticides Use Proposal (PUP) will be submitted and approved prior to the application of herbicides or pesticides or possibly hazardous chemicals.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Gamma Ray Log shall be run from Total Depth to Surface.

Variances Granted

Air Drilling

- Properly lubricated and maintained rotating head, variance granted to use a properly maintained and lubricated diverter bowl in place of a rotating head.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 45' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for two truck/trailer mounted air compressors located within 40 feet from the well bore and 60' from the blooie line.
- Mud Material Requirements. In lieu of mud products on location, Kerr McGee will fill the reserve pit with water for kill fluid.
- Automatic igniter. Variance granted for igniter due to there being no productive formations while drilling with air.
- FIT test. Variance granted due to well know geology and problems that can occur with FIT test.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs,

core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 01196B
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-9C4DS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0227 FNL 2623 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 09 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047507400000
PHONE NUMBER: 720 929-6515 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/22/2011	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

 Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08/24/2011

By:

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 8/22/2011	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047507400000

API: 43047507400000

Well Name: NBU 1022-9C4DS

Location: 0227 FNL 2623 FWL QTR NENW SEC 09 TWP 100S RNG 220E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 9/29/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Andy Lytle

Date: 8/22/2011

Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

RECEIVED Aug. 22, 2011

BLM - Vernal Field Office - Notification Form

Operator KERR-McGEE OIL & GAS Rig Name/# BUCKET RIG
Submitted By JAIME SCHARNOWSKE Phone Number 720.929.6304
Well Name/Number NBU 1022-9C4DS
Qtr/Qtr NENW Section 9 Township 10S Range 22E
Lease Serial Number UTU01196B
API Number 4304750740

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 02/06/2012 14:00 HRS AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

- ☒ Surface Casing
☐ Intermediate Casing
☐ Production Casing
☐ Liner
☐ Other

RECEIVED

FEB 02 2012

DIV. OF OIL, GAS & MINING

Date/Time 02/14/2012 08:00 HRS AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
☐ BOPE test at intermediate casing point
☐ 30 day BOPE test
☐ Other

Date/Time _____ AM ☐ PM ☐

Remarks ESTIMATED DATE AND TIME. PLEASE CONTACT KENNY GATHINGS AT

435.828.0986 OR LOVEL YOUNG AT 435.781.7051

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 01196B
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-9C4DS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0227 FNL 2623 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 09 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047507400000
PHONE NUMBER: 720 929-6511		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 2/6/2012	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. MIRU TRIPPLE A BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEUDLE 10 PIPE. CMT 28 SX READY MIX. SPUD WELL ON 02/06/2012 AT 1230 HRS.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 15, 2012		
NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 2/9/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-9C4DS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0227 FNL 2623 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 09 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047507400000
PHONE NUMBER: 720 929-6514		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/17/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
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	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. MIRU AIR RIG ON FEBRUARY 15, 2012. DRILLED SURFACE HOLE TO 2,560'. RAN SURFACE CASING AND CEMENTED. WELL IS WAITING ON ROTARY RIG. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH WELL COMPLETION REPORT.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 21, 2012		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 2/19/2012	

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750737	NBU 1022-9B4CS		NENW	9	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	2900	2/6/2012			2/15/12	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL ON 02/06/2012 AT 0930 HRS. <u>BHL: new</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750740	NBU 1022-9C4DS		NENW	9	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	2900	2/6/2012			2/15/12	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL ON 02/06/2012 AT 1230 HRS. <u>BHL: new</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750739	NBU 1022-9C3CS		NENW	9	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	2900	2/6/2012			2/15/12	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL ON 02/06/2012 AT 1530 HRS. <u>BHL: new</u>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA WOPSOCK

Name (Please Print)

Signature

REGULATORY ANALYST

Title

2/8/2012

Date

RECEIVED

FEB 09 2012

(5/2000)

Div. of Oil, Gas & Mining

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 01196B			
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3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		9. API NUMBER: 43047507400000			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0227 FNL 2623 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 09 Township: 10.0S Range: 22.0E Meridian: S		9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/6/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	TYPE OF ACTION <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The operator requests approval to deepen the well to the Blackhawk formation (part of the Mesaverde Group). The Operator also requests approval for closed loop drilling option, surface casing change, and a production casing change. All other aspects of the previously approved drilling plan will not change. Please see the attachment. Thank you.					
NAME (PLEASE PRINT) Jaime Scharnowske		PHONE NUMBER 720 929-6304			
SIGNATURE N/A		TITLE Regulatory Analyst DATE 3/6/2012			

Approved by the
Utah Division of
Oil, Gas and Mining

Date: March 12, 2012
By:

Kerr-McGee Oil & Gas Onshore. L.P.**NBU 1022-9C4DS**

Surface: 227 FNL / 2623 FWL NWNW
BHL: 1141 FNL / 2505 FWL NENW

Section 9 T10S R22E

Unitah County, Utah
Mineral Lease: UTU-01196

ONSHORE ORDER NO. 1**DRILLING PROGRAM**

1. & 2. **Estimated Tops of Important Geologic Markers:**
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1,166'	
Birds Nest	1,518'	Water
Mahogany	1,967'	Water
Wasatch	4,327'	Gas
Mesaverde	6,792'	Gas
Sego	8,917'	Gas
Castlegate	9,016'	Gas
Blackhawk	9,440'	Gas
TVD	10,040'	
TD	10,177'	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program

6. **Evaluation Program:**

Please refer to the attached Drilling Program

7. Abnormal Conditions:

Maximum anticipated bottom hole pressure calculated at 10040' TVD, approximately equals
 6,626 psi (0.66 psi/ft = actual bottomhole gradient)

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 4,463 psi (bottom hole pressure
 minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-
 (0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. Variances:

Please refer to the attached Drilling Program.
 Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- Blowout Prevention Equipment (BOPE) requirements;
- Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may

be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. **Other Information:**

Please refer to the attached Drilling Program.

RECEIVED: Mar. 06, 2012

NBU 1022-9C4DS

Drilling Program
6 of 7

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS			
						LTC		DQX	
						BURST	COLLAPSE	TENSION	
CONDUCTOR	14"	0-40'							
						3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0 to 2,420	28.00	IJ-55	LTC	2.22	1.66	5.86	N/A
						10,690	8,650	279,000	367,174
PRODUCTION	4-1/2"	0 to 5,000	11.60	HCP-110	DQX	1.19	1.27		3.88
	4-1/2"	5,000 to 10,177'	11.60	HCP-110	LTC	1.19	1.27	5.80	

Surface Casing:

(Burst Assumptions: TD = 13.0 ppg)

0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoys.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 9000 psi)

0.66 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoys.Fact. of water)

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80	1.15
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80	1.15
			+ 2% CaCl + 0.25 pps flocele				
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE	LEAD	1,920'	65/35 Poz + 6% Gel + 10 pps gilsonite	180	35%	11.00	3.82
Option 2			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80	1.15
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80	1.15
PRODUCTION	LEAD	3,827'	Premium Lite II +0.25 pps	300	35%	12.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	6,350'	50/50 Poz/G + 10% salt + 2% gel	1,500	35%	14.30	1.31
			+ 0.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. 1 centralizer on the first 3 joints and one every third joint thereafter.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Nick Spence / Danny Showers / Chad Loesel

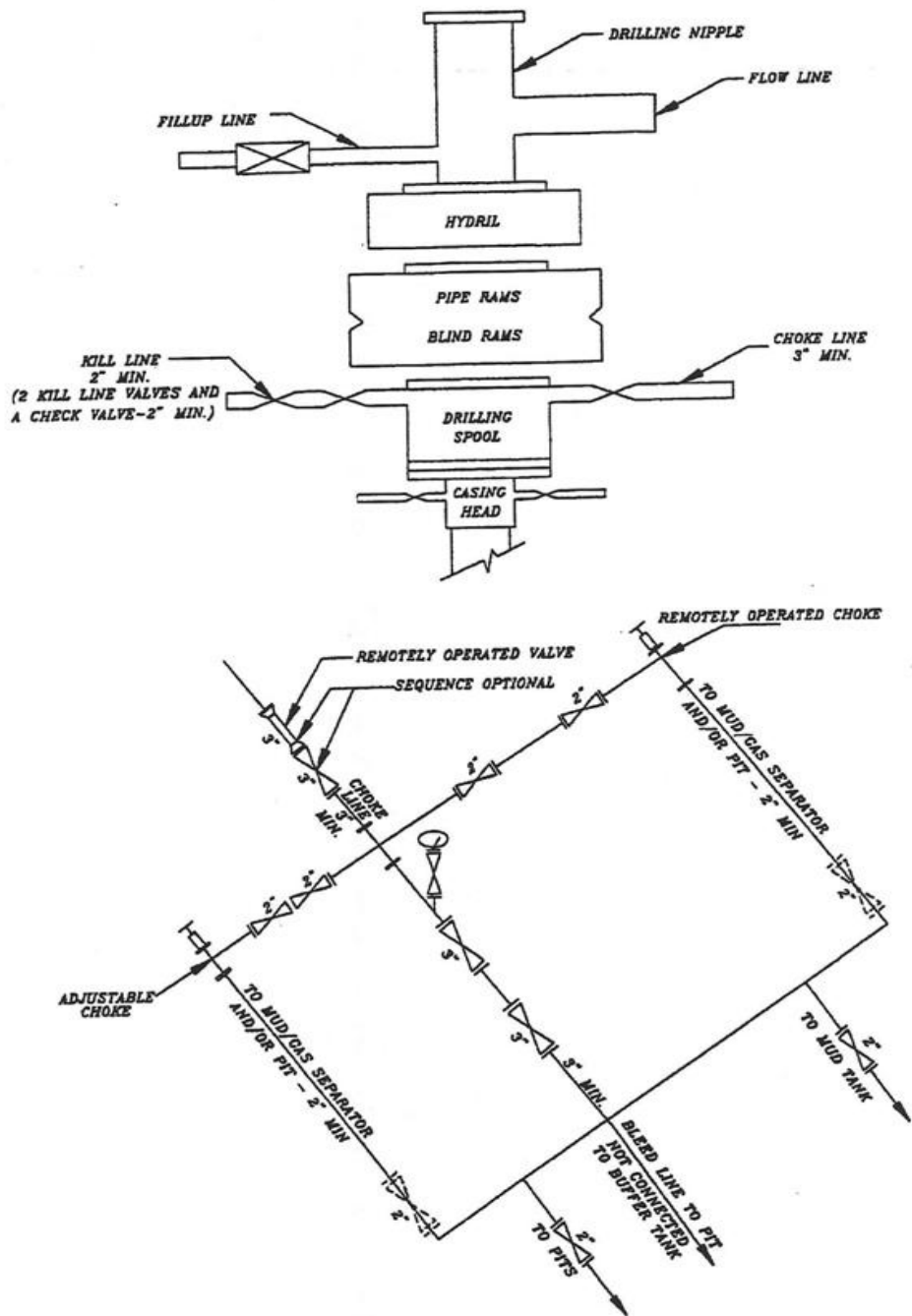
DATE:**DRILLING SUPERINTENDENT:**

Kenny Gathings / Lovel Young

DATE:

RECEIVED: Mar. 06, 2012

EXHIBIT A
NBU 1022-9C4DS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

Requested Drilling Options:

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 01196B
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-9C4DS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0227 FNL 2623 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 09 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047507400000
PHONE NUMBER: 720 929-6511		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/4/2012	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> MIRU ROTARY RIG. FINISHED DRILLING FROM 2560' TO 10195' ON 4/2/2012. RAN 4-1/2" 11.6# I-80 PRODUCTION CASING. CEMENTED PRODUCTION CASING. RELEASED H&P 298 RIG ON 4/4/2012 @ 19:00 HRS. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH THE WELL COMPLETION REPORT. WELL IS WAITING ON FINAL COMPLETION ACTIVITIES. </div> <div style="width: 25%; text-align: center;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 13, 2012 </div> </div>		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 4/5/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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PHONE NUMBER: 720 929-6514		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/28/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 6/28/2012 AT TIME 11:30 A.M. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT. </div> <div style="width: 35%; text-align: center;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY July 02, 2012 </div> </div>		
NAME (PLEASE PRINT) Cara Mahler	PHONE NUMBER 720 929-6029	TITLE Regulatory Analyst I
SIGNATURE N/A	DATE 6/29/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/3/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
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	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Well was completed, finishing well completion report.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 07, 2012		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 8/3/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/25/2013	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> DRILLING REPORT Report Date:	OTHER: Production Enhancement	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The operator conducted the following workover/wellbore cleanout on the subject well on 4/25/2013. Please see the attached chronological well history for details. Thank you		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 21, 2013		
NAME (PLEASE PRINT) Teena Paulo	PHONE NUMBER 720 929-6236	TITLE Staff Regulatory Specialist
SIGNATURE N/A	DATE 7/23/2013	

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-9C4DS BLUE

Spud Date: 2/15/2012

Project: UTAH-UINTAH

Site: NBU 1022-9C PAD

Rig Name No:

Event: WELL WORK EXPENSE

Start Date: 4/22/2013

End Date: 4/25/2013

Active Datum: RKB @5,217.00usft (above Mean Sea Level)

UWI: NW/NW/0/10/S/22/E/9/0/0/26/PM/N/227.00/W/0/2,623.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
4/22/2013	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY= JSA.
	7:15 - 9:45	2.50	WO/REP	30	G	P		ROAD RIG TO LOCATION FROM THE COG 11.
	9:45 - 15:30	5.75	WO/REP	30	A	P		SICP= 1360#. SITP= 1140#. WAIT FOR WIND TO TAPER OFF BEFORE R/U. MIRU @11:30. NO FLOW LINE FROM THE CSNG. R/U FLOWBACK IRON TO FLOWBACK TANK. BLOW DOWN WELL UNIL 1630 HRS.
	15:30 - 17:00	1.50	WO/REP	31		P		TRY TO CNTRL TBG W/ 25 BBLs TMAC. TBNG PRESSURED UP BUT SLOWLY BLED OFF. SWIFN. WILL TRY TO RUN STUCK PIPE LOG IN THE AM AND OR PERF TBNG. CSNG ONLY BLED OFF TO 190# W/ WIDE OPEN FLOW.
4/23/2013	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY = JSA.
	7:15 - 11:30	4.25	WO/REP	34		P		SICP= 1360#. SITP= 275#. MIRU E-LINE. RIH W/ 1.90 G-RING TO XN @8725'. POOH W/ G-RING. P/U & RIH W/ STUCK PIPE LOG TOOLS. LOCATE STUCK COLLAR @ 8700'. POOH. RIH W/ TBNG PUNCHER. LOCATE PUNCHER @ 8700'. PRESSURE UP TBNG TO 1000#. SHOOT PUNCH. TBNG WENT ON VAC. POOH W/ E-LINE. RDMO E-LINE.
	11:30 - 14:30	3.00	WO/REP	30	E	P		OPEN WELL TO FLOWBACK TANK. PUMP +/- 60BBLs TMAC DOWN TBNG. WELL STARTING TO LOAD UP. LET CSNG FLOW DIE OFF TO 150# WIDE OPEN FLOW. R/U PUMP TO CSNG. BULL HEAD 70BBLs TMAC DOWN CSNG. FINALLY GOT CSNG ON VAC.
	14:30 - 15:30	1.00	WO/REP	30		P		NDWH. UN-LAND TBNG TO SEE IF IT WAS STUCK BEFORE N/U. PULLED 5K OVER & TBNG POPPED FREE. LAND WELL BACK ON HANGER. NUBOP. R/U FLOOR. UN-LAND WELL. REMOVE HANGER. RIH W/ 7JTS 2-3/8" P-110 TBNG. T/U @ 8910'. L/D 1JT USED TO TAG & STAND BACK 6JTS. SWIFN. PREP FOR TBNG SCAN IN THE AM.
4/24/2013	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY= JSA.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-9C4DS BLUE

Spud Date: 2/15/2012

Project: UTAH-UINTAH

Site: NBU 1022-9C PAD

Rig Name No:

Event: WELL WORK EXPENSE

Start Date: 4/22/2013

End Date: 4/25/2013

Active Datum: RKB @5,217.00usft (above Mean Sea Level)

UWI: NW/NW/0/10/S/22/E/9/0/0/26/PM/N/227.00/W/0/2,623.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 17:30	10.25	WO/REP	31		P		<p>SICP= 1450# SITP= 350#. OPEN CSNG TO FLOWBACK TANK. CNTRL TBNG W/ 20BBLS TMAC. MIRU SCANNERS. POOH WHILE SCANNING 274JTS 2-3/8" P-110 TBNG. RESULTS AS FOLLOWS:</p> <p>267 JTS 2-3/8" P-110 GOOD Y-BND TBNG. 2 JTS 2-3/8" P-110 GOOD B-BND TBNG. 5 JTS 2-3/8" P-110 BAD R-BND TBNG. JT# 272,273,274 WOULD NOT DRIFT. PINS WERE PITTED. 273 & 274 HAD VERY HEAVY EXTERNAL SCALE. #274 ALSO HAD PERF HOLES. 2JTS WERE REJECTED DUE TO BEING BENT.</p> <p>RDMO SCANNERS. RIH W/ 3-7/8" MILL + POBS + XN + 280JTS 2-3/8" P-110 TBNG. T/U ON SCALE @ 8910". R/U POWER SWIVEL. MIRU GAS RECIRC UNIT. PREP TO D/O IN THE AM.</p> <p>NOTE: HAD TO CNTRL WELL MULTIPLE TIMES. USED TOTAL OF 90BBLS TMAC.</p>
4/25/2013	7:00 - 7:15	0.25	WO/REP	48		P		SAFETY = JSA.
	7:15 - 17:00	9.75	WO/REP	31		P		<p>SICP= 1400#. SITP= 0#. FINISH R/U SWIVEL. INSTALL STRING FLOAT. R/U GAS CIRC UNIT. BREAK CIRC IN +/- 30MIN. D/O HARD SCALE F- 8910' T- 8916'. CONT RIH W/ TBNG. T/U @ 10,090' W/ 318JTS 2-3/8" P-110. BREAK CIRC. CIRC WELL CLEAN FOR 45MIN. CNTRL TBNG W/ 20BBLS TMAC. RDMO GAS CIRC UNIT. L/D 44JTS TBNG. LAND WELL ON HANGER. NDBOP. NUWH. DROP BALL DOWN TBNG. PUMP 50BBLS TMAC DOWN TBNG TO TRY AND PUMP OFF BIT. DID NOT SEE BIT PUMP OFF AND TBNG IS DEAD. CALL FOR SLICK LINE TRUCK.</p> <p>MIRU SLICK LINE TRUCK. RIH W/ WEIGHT BAR TO PBTD @ 10,090'. BIT WAS PUMPED OFF. POOH W/ SLICK LINE. RDMO SLICK LINE. SWI. RDMOL. ROAD RIG TO NBU 193.</p> <p>TBNG LANDED AS FOLLOWS:</p> <p>KB= 26.00' HANGER = .83' 274 JTS 23/8 P-110 = 8694.78' POBS W/ 1.875 X/N = 2.20' EOT @ 8723.81'</p> <p>TWLTR= 70BBLS</p>